

Continuation Review Driver Education

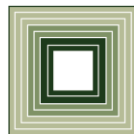


Transportation and Education Appropriations Subcommittees

Mark Bondo

Fiscal Research Division

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FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

Driving If Under Age 18

- Three-step graduated driver license (GDL) process. Advancement depends on time, adherence of laws.
- Limited learner permit issued, not driver's license.
- Driver education schools (public and private) issue driver education completion certificate. Public, private, and home schools issue driving eligibility certificate (DEC). Both required for level 1 permit.
- Permit revoked if DEC revoked.

Agency Responsibilities

- DPI receives funds from DOT and allocates funds to LEA's based on Average Daily Membership for ninth grade. (G.S. 20-88.1)
- LEA responsible for paying for all students enrolled in public, private, and home schools.
- LEA responsible for DEC for public school students, DOA sets rules for private and home school students.
- DMV licenses commercial driving schools.

Driver Education: Funding

- NC spent \$238.04 per student in FY 2009-10 compared to \$250.06 per student in FY 2003-04
- 138,212 students in FY 2009-10
- Significant amount reverted each year

FY	Amount	Unexpended
2004-05	\$31,939,945	\$1,806,917
2005-06	\$31,984,826	\$1,780,950
2006-07	\$32,985,745	\$1,833,006
2007-08	\$33,507,876	\$1,359,491
2008-09	\$34,286,309	\$2,526,694
2009-10	\$32,899,993	

State Comparisons

- 42 states have some type of driver education requirement, but requirements vary widely.
- The majority of states (26 states) house driver education in the education department. Other states use DOT/DMV/State/Revenue/Public Safety.
- Like NC, six other states require DMV or DOT to monitor and license commercial driving schools.
- State funding of driver education:

Fully Fund

8

Partially Fund

10

No Funding

32

State Comparisons: Cost

- According to the Highway Safety Center, costs vary significantly based upon a program's expanse.
- The larger programs with detailed requirements and oversight cost between \$275 and \$500 per student.
- Statutes in several states restrict funding based on availability. For example, California has a dedicated revenue source but has not funded in over a decade.
- Several states that partially fund or do not fund driver education allow localities to charge a fee.
- Some states only pay for public school programs.

State Comparisons: Funding

- North Carolina is the only state to fund driver education from the Highway Fund without a dedicated revenue source.
- The majority of states have a dedicated revenue source.
- Four states use the General Fund.
- Driver's license fees are the most common revenue source.
- Other sources include a surcharge on insurance premiums, oil revenue, license plate fee, driver's license permits

Preliminary PED Reviews

- During the 2009 interim, the Program Evaluation Division has conducted two relevant preliminary reviews:
 - The Driver Education Program in the NC Public Schools
 - Suspension of Driving Eligibility Certificates (DEC)
- A preliminary review is used to examine a program and identify potential issues that may warrant a full study that will be included on the Committee's approved work plan.

PED: Driver Ed Issues

1. DPI has delegated the organization and administration of driver education to the LEAs
2. No standardization of programs
 - No standardization between schools in same LEA
 - No class size restrictions
 - No statewide standards or outcomes
3. Appearance of no state lead agency to conduct oversight of public school programs
 - No standard curriculum
 - Lack of identified intended outcomes
 - Neither DPI nor DMV oversee public school programs

PED: Driving Eligibility Certificate Issues

1. DEC suspension process experienced by parent may happen statewide.
2. 2002 DPI Study issues have not been addressed.
3. DEC reporting process is not standard statewide.
4. No oversight of local processes to support the suspension provision.
5. DMV computer system has limited functionality.
6. DEC notice sent to legal minor.
7. DEC requirements absent from driver education curricula.
8. DEC punitive but intention was to deter dropouts.
9. Lack of lead state agency problematic.

DPI Recommendations

- Do not incorporate driver education into Standard Course of Study.
- Keep public school funding with DPI.
- DPI should increase public school monitoring.
- Encourages review of DEC process.

FRD Observations

- Empirical evidence shows graduated driver licenses reduces crash rates, but driver education does not.
- Driver education has strong industry support.
- This CR does not meet the legislative mandate. (S.L. 2009-451, Section 6.7c, #3,4,5,7,8,9,10)
- Due to the minimal information included, this CR does not justify DPI recommendations

FRD Observations Continued

- More information is needed to make an informed decision.
- Significant body of research exists to show how to strengthen driver education programs
- Issues raised in PED preliminary reports show significant weaknesses in driver education program and DEC process.

FRD Observations Continued

Issues of greatest concern:

- No oversight of program or of funds
- Little inter-agency coordination
- No standardization and minimal standards of curriculum
- Minimal requirements to teach driver education
- Minimal outcome standards for individual or on program level
- No process to find best practices or cost savings

FRD Recommendations

- The General Assembly's Program Evaluation Division should conduct a full report on the driver education program and DEC process.
- Continue funding until further study completed.
- Examine other funding options (through a dedicated revenue stream, partial funding, charging a fee).
- Based on the annual reversions, funding to the program can be cut by \$1 million - \$1.5 million in FY 2010-2011.

Comments or Questions



Contact Mark Bondo, Brian Matteson, Amna Cameron

Fiscal Research Division

markb@ncleg.net; brianm@ncleg.net; amnac@ncleg.net

919-733-4910